**Worksheet for Fixed and Variable Costs:**

**X Corp has fixed costs of $50. Complete the table below for the costs of producing their product.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Outputs (Units) | Total Fixed Costs ($) | Total Variable Costs ($) | Total Costs ($) | Average Costs ($) |
| 0 |  |  |  | - |
| 1 |  | 70 |  |  |
| 2 |  | 110 |  |  |
| 3 |  |  | 210 |  |
| 4 |  |  | 225 |  |
| 5 |  |  |  | 5.8 |

Calculate:

1. AVC of 4 units
2. AFC of 2 units
3. AVC of 1 unit
4. AFC of 5 units
5. AVC of 5 units
6. ATC of 5 units

Using graph paper, plot the TFC, TVC and TC curves.

Explain the reason for the shape of each curve.